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**Communications**  
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## For Immediate Release

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### Response to the Houston Chronicle – Sept. 24, 2024

**Houston – Sept. 24, 2024** – We are including below a list of facts (many of which have yet to be included in any of your coverage on this subject). We've asked the Chronicle to report the facts about this situation including:

1. The large-scale emergency generation units would not be necessary if there was sufficient generation (in fact, CenterPoint has committed to reducing its large emergency generation fleet as more generation capacity is expected to become available over the next five years, but until that happens, these units are necessary in the event of load-shed during extreme cold weather events and tight grid conditions during the summer) and
2. The main causes of customer bill increases in recent years are energy and other charges unrelated to CenterPoint's operations.

#### **Facts:**

- Winter Storm Uri impacted Texas in February 2021. Due to the extreme cold experienced statewide, generators were not able to deliver the amount of power the state needed during Uri.
- During Uri, CenterPoint Energy's electricity grid was fully available and functioned as designed. The issue was that there was not enough power supply from the generators – not an issue that CenterPoint could control.
- Because there was not enough electricity supply from generators, CenterPoint was directed by ERCOT to turn off large swaths of customers to balance the amount of supply available and the energy demands of Houston area homes and businesses.
- As context, 2021's Winter Storm Uri required CenterPoint to shed about 5,000MW of electricity load (or roughly 1,400,000 homes and businesses) because there was a significant shortfall of generation across the state.
- During Uri, the PUCT directed companies like CenterPoint to be able to conduct rotating outages such that no customers should be out of power more than 12 hours during a rotating outage.
- As part of the legislative response to that unprecedented extreme weather/load shed event, HB 2483 was passed and became law effective September 1, 2021.
- The issue around temporary generation was fully debated over two legislative sessions. HB2483 (2021) and HB1500 (2023) both were passed and became law. This resulted in the expanded use of temporary generation as outlined in HB1500.
- Since **March 2021 ERCOT has issued notices of tight generation conditions more than 115 instances, including seven urgent instances where ERCOT alerted CenterPoint to prepare the large generators for use.** In each case, this was a result of the state's generators not producing sufficient generation to meet customer demand.
- Even with CenterPoint's investment in large-scale temporary emergency generation, the portion of customer's electric bills that covers the grid and CenterPoint's system costs has remained essentially flat at an average of \$49 a month over the past decade.



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### **Sept. 24, 2024 Media Statement**

The ongoing risk posed by a lack of new or replacement generation in Texas, and the threat of a future load shed that could potentially occur after the devastating impacts of Winter Storm Uri-type event, along with the billions of dollars of loss that could ensue in similar situations, represented an ongoing and immediate threat to CenterPoint customers and Texas' energy future. This demanded action.

As was litigated in multiple PUCT hearings in 2022 and 2023 and was publicly addressed in multiple public hearings this year, CenterPoint's leasing of large-scale emergency generation units was approved following a thorough review and a competitive bidding process. This decision was driven by our goal to be in full compliance with the changes in Texas law following the devastating impacts of Winter Storm Uri.

In fact, the stated purpose of these large-scale temporary emergency generators was to help supplement available generation during a future load shed event and meet the PUCT's requirement to rotate power. To be clear, this threat continues to exist. Since March 2021 there were more than 115 instances that ERCOT issued a notice of tight conditions, including seven instances where they alerted CenterPoint to prepare for load shed because the state's generators were at risk of not producing sufficient energy supply to meet customer demand. CenterPoint has a responsibility to address these issues and to help protect our customers from the failures of generation. We can't, in good conscience, ignore this threat. If our elected officials and regulators believe this threat of load shed has diminished since Winter Storm Uri, we remain, as we have stated in numerous filings and hearings, committed to reevaluating the future role of large-scale temporary emergency generation.

### **Additional Support and Background**

To help further detail what CenterPoint has shared with the Houston Chronicle, the company has provided the following responses to similar questions across multiple different inquiries. In addition, CEO Jason Wells has provided written and verbal testimony on the subject since mid-July.

- Public Utility Commission of Texas hearing – Thursday, July 25, 2024
- Texas Senate hearing – Monday, July 29, 2024
- Texas House hearing – Wednesday, July 31, 2024

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